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7 APR 1960

Mr. Cornelius van Stolk
44 Whitehall Street
Room 1131
New York 4, N. Y.

Dear Mr. van Stolk:

In the temporary absence of Mr. Dulles from the city, I would like to acknowledge and thank you for the article from THE ECONOMIST, After the Emology.

When Mr. Dulles returns to his office, I will bring this to his attention.

Sincerely,

Signed

Assistant to the Director

O/DCI/ [] rad 7 Apr 60

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After the Theology

"This is what the Church is said to want, not party men, but sensible, temperate, sober, well-judging persons to guide it through the channel of no-meaning, between the Scylla and Charybdis of Aye and No."

Newman: *History of My Religious Opinions from 1839 to 1841.*

NEITHER Mr Gaitskell's original intention to abolish Clause Four of Labour's constitution, nor Wednesday's "compromise" agreement to retain it while explaining that it does not mean what it says, will affect the policy of any next Labour government by a tittle. But the latest act of tragic-comedy is bound to heighten discussion about whether there will ever be another Labour government at all. An increasing number of experienced political observers, at home and even more abroad, are now inclined to assume (or hope?) that the skids are under British socialism for our time. It is said that the two million or so middle of the road voters who decide British elections now innately recognise that Labour's policies are many years out of date; that class loyalty to Labour is dying; that the party is regarded by the public as a body of ferocious (if sometimes thwarted) nationalists; that its internal quarrels and contradictions are gradually making it impossible for its leaders to come to work out coherent policies; and (though by all experience this would seem very unlikely) that the party may soon begin to break up into separate pieces. In a week when Labour leaders have admittedly shown their Hamlet-like capacity for political suicide in the vividdest relief, it is worth examining these propositions to see how far they bear any relation to facts.

The first three of them almost certainly exaggerate Labour's plight. Only two years ago this week, when the Torrington by election was a progress, it was the Tories who were in the mire; if a general election had been held at that time, a Labour government would have been returned with a majority of probably over 150 in the House. The policies proffered by the Labour party today are not noticeably more old-fashioned or irrelevant than those of the Labour government that would have been elected then; the main thing that has happened in the meanwhile is that the Tories have grown more popular as the economy has turned from recession to boom. Again, class loyalty to Labour is by the nature of growth a diminishing asset, but its death from natural causes is more likely to be lingering than speedy; the residual feeling that the "party stands for the workers" means that Labour would require heavier blows to knock it permanently out of its position as second party in the state than the Liberals did in the twenties and thirties. The prevalence in the public mind of the bogey of wholesale nationalisation has been overestimated by both Mr Gaitskell and the Institute of Directors; the public knew long before Mr Gaitskell's Clause Four speeches honestly began to explain it to them that his party are not wholesale nationalists but hypocrites.

It is the other two disabilities of the Labour party that are much more worrying. They do hold out some threat of a process of self-strangulation that could saddle the country with a long period of weak and divided opposition during a generation of Tory rule. The first of these dangers is that the habit of compromise and internally diplomatic doubletalk is becoming so ingrained in the Labour movement that it may soon no longer provide a forum in which able and intelligent men can see any real hope of working out new and relevant ideas. Labour politics are becoming the art of impossible verbal manoeuvring.

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Mr Gaitskell's experience with his own new testament, which he started to write as a brave and thoughtful challenge for a new world, is the present case in point.

Eleven of the twelve points that he originally submitted to the executive on Wednesday were expressions of high flown sentiments with which almost everybody could agree, chiefly because most of them have no relevance to possible state action; nobody is going to vote against "the brotherhood of man," but no government decree is going to bring it about either. Even the parts of these eleven points that do pretend to affect future state policy would be accepted by most people, though the advantage of writing them into a party constitution is obscure. But the immediate attention of the country is inevitably being concentrated on the twelfth point—on the new testament's wording about nationalisation. As the clause has finally been amended by the executive, Mr Gaitskell has been constrained to say that he:

is convinced that all these social and economic objectives can be achieved only through the extension of common ownership substantial enough to give the community power over the commanding heights of the economy, including State-owned industries and firms, Producer and Consumer Co-operation, Municipal Ownership, and public participation in private concerns. In recognising that both public and private enterprise have a place in the economy, [Labour] believes that further extensions of common ownership should be decided from time to time in the light of these objectives. . . .

If Mr Gaitskell really believed enthusiastically that a "substantial" dose of all these dog-biscuity doctrines was the only way to achieve his social and economic objectives, there would be room for interesting debate with him. But everybody knows that he does not believe this; he believes wearily that proclaiming them is the only way of appeasing his militants. And this must raise the question of how long this intelligent man, and the intelligent coterie around him, can bear to put up with the intellectual indignities of their present position—however pleased he may temporarily feel that he achieved a "compromise" on Wednesday.

THE second main danger before the Labour party is that men may be increasingly driven away from it because they feel as great a derision for its bitter battle of personalities as they do for the vacuum in its policies. In a sense, of course, a real split in the party now might be its quickest and healthiest way back to power. If Mr Foot, Mr Mikardo and the other genuine fundamentalists were in fact to hive themselves off into a separate organisation, they would get as tiny a vote from the British public in election fights against official Labour candidates as Mr Zilliacus and his supporters did when they were hived off as "independent socialists" in 1950. But the last few months have shown that Mr Gaitskell's senior colleagues will not help him to draw a clear and commonsense line of policy that would deliberately compel a small band of fundamentalist zealots to trim themselves off unheeded in this way; instead they have nearly all been angling their speeches (as on Wednesday they angled their votes) to attract as much approval as possible from the zealots, while not quite obliging Mr Gaitskell himself to resign. The reason is that the Labour High Command, having been starved of personal responsibility for nine years, has ceased to be an executive body that is at all interested in putting any particular

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policy into effect; it has become much more like some medieval royal court, in which a small band of favourites, a rather larger band of potential rebels, and a clique of trade union barons are largely intent upon a personal struggle for power, while publicly protesting that they are doing no such thing.

Is this struggle bound to go on, until the party has torn itself to pieces? There is one thing that could very quickly stop it. The source of Mr Gaitskell's control over his party and most of its policy during the last Parliament was that he was regarded as a prospective source of patronage; he was believed to be a probable future Prime Minister, who would one day have ministerial offices to hand out. The main source of his difficulties today is that he is no longer really regarded in this light, because many of his immediate lieutenants have caught from the professional commentators the disease of excess pessimism about their prospects. The first by-elections of this Parliament were taking place on Thursday, and the results will be known by the time this issue of *The Economist* is in readers' hands; as we write it is impossible to forecast whether the divisions in the party will have much effect upon the voting, but it is easy to guess the effect that the voting will have on the divisions in the party. If the tide of public opinion proves to have turned mysteriously back to Labour, because satisfaction with the Tories has fallen off, then most of the present factionalism and inspired anti-Gaitskellism in the Labour party will magically disappear. But if the tide of opinion is still running the other way, if Brighouse has gone securely Tory and if the Liberal alternative to Labour has made striking headway at West Harrow, then the process of demoralisation in and about the Labour party is very likely indeed to acquire a new and dangerous momentum of its own.

Nobody can tell what would happen then. The real trouble with Labour today is not the obstinately anachronistic principles of some of its minor zealots, but the spineless expediency—the words are not harsh enough—of some of its leading men. They have now willingly made their leader and their party a laughing stock rather than risk losing any of their personal intra-party prestige or risk facing a row at their annual union conferences. Of course, it is part of Labour's credo that men can be changed. One day, any true socialist must believe, the present Labour High Command might suddenly and magically become a community "recognising that . . . anarchy and the struggle for power . . . must lead to universal destruction," determined that everybody's "effort, skill and creative energy be contributed to the common good," rejecting "selfish, acquisitive canons," standing for a society "with natural, friendly relations between the individuals who compose it, uninhibited by . . . false values," resolved to "resist all forms of collective intolerance and prejudice," "subordinating all concentration of power to the interests of the community as a whole."

These are all ideals that Mr Gaitskell, in his original draft of a new constitution, said that he sought to see suffused through the Labour party. This winter's sad story of unpopularity and blocked reform suggests that he had better concentrate on seeing them suffused through Labour's national executive room instead.

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To the Honorable
Allen W. Dulles
Central Intelligence Agency
Washington 25 D.C.

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